



May 15, 2013

Item No. 8

AUTHORIZATION TO EXTEND CONTRACT NO. 1080 WITH NAN McKAY & ASSOCIATES AND CONTRACT NO. 1081 WITH CVR ASSOCIATES, INC.

To the Honorable Board of Commissioners:

RECOMMENDATION

It is recommended that the Board of Commissioners authorize the Chief Executive Officer or his designee to amend and extend Contract No. 1080 with Nan McKay and Associates ("NMA") and Contract No. 1081 with CVR Associates, Inc. ("CVR") for a nine (9) months period from July 1, 2013 through March 31, 2014 to administrate and operate CHA's Housing Choice Voucher ("HCV") Program for an aggregate amount not-to-exceed \$21,749,704.00.

The Chief Housing Officer, the Office of the General Counsel and the Office of Procurement have completed all necessary due diligence to support the submission of this initiative and recommend the approval of this item accordingly.

CORPORATE GOAL

CHA seeks to develop a national model of excellence in program delivery, outstanding level of customer service and innovation for the HCV Program.

FUNDING: General Fund, FY2013 & FY2014, Funding Code: 8000302803 & 8000302807

CONTRACT SUMMARY

Vendor: Nan McKay & Associates
1855 Gillespie Way
El Cajon, CA 92020

CVR Associates, Inc.
5400 Laurel Springs Parkway, Suite 201
Suwanee, GA 30024

Contract Type: Professional Services

Contract No.: 1080 & 1081

Base Contract Period: 2 years

Contract Amount: \$52,860,704.00

1st Extension Period: 6 months

1st Extension Amount: \$13,036,639.00

2nd Extension Period: 9 months

2nd Extension Amount: \$21,749,704.00

Total Aggregate Contract Amount: \$87,647,047.00

Nan McKay M/W/DBE Participation:

Direct: MBE ____% WBE 100% DBE ____%

Section 3:

Hiring 2 Subcontracting 45% Other Economic Opportunities ____(\$)

CVR Associates M/W/DBE Participation:

Direct: MBE: 100% WBE ____% DBE ____%

Section 3:

Hiring 3 Subcontracting 0.0% Other Economic Opportunities x(\$)

GENERAL BACKGROUND

The Chicago Housing Authority is the third largest HCV Program in the country, serving over 38,000 participants and over 14,000 property owners. The HCV Program is currently administered by two contractors operating in three regional offices located across the City of Chicago. These contracts are overseen and administered by CHA's HCV Department. The current extension for Contract No. 1080 with Nan McKay and Associates ("NMA") and Contract No. 1081 with CVR Associates, Inc. ("CVR"), which was authorized by the Board on June 20, 2012, expires on June 30, 2013. This extension is imperative to provide continuation of the HCV Program as it issues a new Request for Proposal for services which is in alignment with the new corporate strategies

During the initial extension period, the CHA evaluated current policies to coordinate and align with the new corporate strategy. The HCV Program developed a new request for proposal which is more closely aligned to the corporate vision and proposed new policies. This additional extension will allow the CHA sufficient time to concurrently release the RFP to solicit qualified contractors to administer and operate CHA's HCV Programs and to properly evaluate proposals, interview, conduct discussions and contract negotiations with qualified respondents and obtain Board authorization to award (a) contract(s) with the selected respondent(s) and transition services by April 1, 2014. Without the extension, the CHA will not be able to operate and administer its HCV Programs.

The Board action recommended in this item complies in all material respects with all applicable Chicago Housing Authority board policies and all applicable federal (HUD) procurement laws.

The Chief Housing Officer concurs with the recommendation to extend Contract No. 1080 with Nan McKay Associates and Contract No. 1081 with CVR Associates, Inc.

The CEO/President recommends the approval to amend and extend Contract No. 1080 with Nan McKay and Associates and Contract No. 1081 with CVR Associates, Inc. for a nine (9) months period from July 1, 2013 through March 31, 2014 to administer and operate CHA's Housing Choice Voucher Programs for an aggregate amount not-to-exceed \$21,749,704.00.

RESOLUTION NO. 2013-CHA-34

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated May 15, 2013 entitled “AUTHORIZATION TO EXTEND CONTRACT NO. 1080 WITH NAN MCKAY & ASSOCIATES AND CONTRACT NO. 1081 WITH CVR ASSOCIATES, INC.”;

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT the Board of Commissioners (“Board”) authorizes the Chief Executive Officer or his designee to amend and extend Contract No. 1080 with Nan McKay and Associates and Contract No. 1081 with CVR Associates, Inc. for a nine (9) months period from July 1, 2013 through March 31, 2014 to administrate and operate CHA’s Housing Choice Voucher Programs for an aggregate amount not-to-exceed \$21,749,704.00.

These awards are subject to each Contractor’s compliance with the CHA’s MBE/WBE/DBE, Section 3 resident hiring, and insurance requirements.



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